



## **IRISH LIFE INVESTMENT MANAGERS (ILIM)**

### ***The week that was – WEEK 01 (ending 01/01/2016)***

**"A new heart for a New Year, always!" – Charles Dickens**

**2015 equity returns in local currency** – World equities returned 1.9%; Irish equities returned 33.6%; North American equities returned 0.5%; European equities returned 8.7%; U.K. equities returned -0.8%; Japanese equities returned 11.5%; Pacific equities returned -2.7% and Emerging Markets equities returned -5.4%;

**Irish unemployment rate at lowest level since 2008** – Figures from the Central Statistics Office show an unemployment rate of 8.9%, dropping below 9% for the first time since the crash. Some 130,000 people have found work since unemployment peaked above 15% in 2012. The rate is the lowest in the Dublin area.

**Department of Finance caps credit union deposits at €100,000** – Finance Minister Michael Noonan has brought in new rules limiting credit union deposits to €100,000. The new rules come into force on January 1. Following intense lobbying by the credit unions, they can apply to hold on to existing deposits over €100,000.

**IMF Head says global growth will be disappointing in 2016** – International Monetary Fund managing director Christine Lagarde said global economic growth will be affected by the prospect of rising interest rates in the United States and the economic slowdown in China, leading to uncertainty and economic vulnerability.

**Slowdown in Chinese manufacturing deepens fears for economy** – Factory activity in China cooled for the fifth month running as overseas demand for Chinese goods continued to fall. The economy grew 7.3% in 2014, an expected 6.9% in 2015 and the central bank has forecast that it may slow further in 2016 to 6.8%.

**Oil price hits 11 year low** – Brent Crude, the benchmark for more than half the world's oil, ended 2015 with the lowest annual average price in 11 years, hurting energy-exporting countries and companies. There has been a 46% plunge in oil prices since this year's high on May 6th, with the global glut in oil supplies.

**The Story of the week:** Some signs of 'Janxiety' to watch out for - Still staying up until 3am; resenting the Christmas tree; coming down with something; extreme Christmas nostalgia and fretting about money.

#### **DISCLOSURE:-**

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## Index Performances and Market Data\*

<b>Equity Markets % (in Local Currency)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD (to 31/12/2015)</b>
ISEQ Overall Return	-0.1	2.6	20.5	35.8	16.8	33.6
FTSE 100 TR	12.6	-2.2	10.0	18.7	0.7	-1.3
Euro Stoxx 50 TR	-2.8	-14.1	18.1	21.5	4.0	6.4
S&P 500 TR	15.1	2.1	16.0	32.4	13.7	1.4
Nasdaq Composite	16.9	-1.8	15.9	38.3	13.4	5.7
Nikkei 225	-3.0	-17.3	22.9	56.7	7.1	9.1
MSCI Emerging Markets	11.7	-14.9	13.9	0.9	2.6	-8.0
MSCI World	7.8	-7.6	13.1	26.2	7.7	0.2
<b>Sovereign 10yr Bond Yields (%)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2016 YTD</b>
US	3.3	1.9	1.7	3.0	2.2	2.2
German	3.0	1.8	1.4	1.9	0.5	0.6
UK	3.4	2.0	1.9	3.0	1.9	1.9
Japan	1.1	1.0	0.7	0.7	0.3	0.2
Ireland	9.1	8.4	4.5	3.4	1.3	1.1
Italy	4.8	7.1	4.6	4.1	2.1	1.6
Greece	12.5	31.7	12.7	8.2	9.6	7.9
Portugal	6.6	13.4	6.9	6.1	2.7	2.5
Spain	5.5	5.1	5.4	4.1	1.6	1.7
<b>Central Bank Rates (%)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2016 YTD</b>
ECB	1	1	0.75	0.25	0.05	0.05
Bank of England	0.5	0.5	0.5	0.25	0.50	0.50
US Federal Reserve	0.25	0.25	0.25	0.25	0.25	0.50
<b>Foreign Exchange Rates</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2016 YTD</b>
Euro/Dollar (€/\$)	1.34	1.30	1.31	1.37	1.21	1.09
Euro/Sterling (€/£)	0.86	0.83	0.81	0.83	0.78	0.74
Sterling/Dollar (£/\$)	1.56	1.55	1.61	1.65	1.56	1.48
<b>IPD All Property Return (%)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD</b>
Ireland	-2.4	-2.4	3.1	12.7	40.1	10.9 (Q 2)
UK	14.5	8.1	2.7	10.7	17.8	6.5 (Q 2)
US	14.8	14.5	5.3	11.4	11.2	7.2 (Q 2)

\*Past performance is not a reliable guide to future performance